



Re: Response to your email

mf@fariaandco.com <mf@fariaandco.com>
 To: MK Jewels Compliance <compliance@mkjewels.in>
 Cc: ipo@afsl.co.in, mail@pareshrakesh.in, chairman@sebi.gov.in

Wed, Jun 10, 2026 at 9:10 PM

To,
 Mr. Kush Raimalani, Director
 M. K. Sons Fine Jewels Limited

Subject: Rejoinder to Point-wise Clarifications dated June 10, 2026 – Call for Document Inspection.

Dear Sir,

We acknowledge your point-wise response dated June 10, 2026. While we note your explanations, your statements have raised further material concerns regarding valuation inflation, inventory spikes, and regulatory lag that require verifiable documentation rather than narrative assurances.

As a prospective institutional/investor group (Faria HUF), and in the interest of market transparency, we hereby call upon the Issuer Company, its Lead Managers (Aryaman Financial Services Ltd), and its Statutory Auditors to provide immediate inspection/disclosure of the following clear items of record within 4 business days:

1. Regarding Query 1 (Business Succession):

Since you confirm that a third-party valuation report under Section 247 of the Companies Act, 2013 was obtained for the Business Succession Agreement dated March 29, 2025, and that 4,028,152 shares were issued at an implied valuation of ~₹176.43 per share, please share the full Valuation Report or provide its exact extracts detailing the Net Asset Value (NAV) and Discounted Cash Flow (DCF) assumptions utilized to justify this price against the promoter's base acquisition cost of ₹18.31.

2. Regarding Query 2 (Inventory and 14x Revenue Surge):

Your response attributes a 1,400% revenue surge to "expanded showroom network operations" and "gold price trends." We request the inspection of the Restated Financials' Annexure detailing the "Showroom-wise Revenue Breakdown" for FY23, FY24, and FY25, alongside the Statutory Auditor's signed Certificate verifying physical stock-taking logs for inventory weight and purity at the close of FY24 and FY25.

3. Regarding Query 4 (Pre-Operational Approvals & Leases):

Your admission that the Company has taken premises on a leasehold basis but does not possess pre-operational local authority approvals or trade licenses "at this stage" confirms a material risk to public funds. Please provide the registration numbers and dates of execution for the lease deeds of the proposed Maharashtra and Gujarat showroom sites to verify that the properties are lawfully locked into the Issuer's custody.

Please take notice that if these core primary documents are withheld from prospective public scrutiny while maintaining placeholders in the DRHP, we shall place this entire chain of correspondence before the Corporation Finance Department (CFD) of SEBI and the Listing Check-list Committees of the Stock Exchanges to ensure these specific gaps are issued as formal strictures in the upcoming SEBI Observation Letter.

We await the direct documentary inspection details.

Yours Faithfully,
 Mayur Vinod Faria
 For Faria HUF
 (Karta / Authorized Signatory)

A: Office No. 514, 5th Floor, Vardhaman Chambers, Cawasjee Patel Street, Fort, Mumbai – 400 001.

W: www.fariaandco.com

On 10 Jun 2026, at 6:23 PM, MK Jewels Compliance <compliance@mkjewels.in> wrote:

Dear Sir,

Re: Response to your email dated June 09, 2026 in relation to the Draft Red Herring Prospectus dated May 11, 2026 of M. K. Sons Fine Jewels Limited

We have perused your email dated June 09, 2026 inter-alia addressed to us and the queries raised therein in relation to the Draft Red Herring Prospectus dated May 11, 2026 ("DRHP") filed by M. K. Sons Fine Jewels Limited ("Company") for the purpose of its proposed initial public offering of equity shares ("Offer") with the SEBI and the National Stock Exchange of India Limited and BSE Limited (collectively "Stock Exchanges").

Please find attached our point-wise reply to the queries raised by yourself below:

Query 1: Deficient Operating History & Structural Circumvention of Regulation 6(1) - Provide the independent, third-party valuation report executed under Section 247 of the Companies Act, 2013 for this business succession. If no such independent valuation exists, clarify the mechanism used to value and transfer the goodwill, inventory, and liabilities to ensure public investors are not absorbing overvalued assets.

Response: We submit that the Company was incorporated in 2012 and has commenced and carried on its own retail jewellery operations since then. The proprietorship concern namely M. K. Sons Jewellers, was acquired by the Company via Business Succession Agreement only on March 29, 2025 viz. approximately 13 years post incorporation of the Company. Accordingly, for the period from April 01, 2023 to March 28, 2025, the operational activities and the financial results of the Company do not include the data of proprietorship concern.

We draw your attention to the fact that the Company has satisfied the criteria as prescribed under Regulation 6(1) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations"), also as disclosed in the DRHP under the chapter titled "Other Regulatory and Statutory Disclosures – Eligibility for the Offer" on page 335. Since the Company has complied with the eligibility as prescribed under Regulation 6(1) of the SEBI ICDR Regulations, it is eligible to undertake the Offer.

Further please note that the independent, third-party valuation report was obtained before the Company entered into the Business Succession Agreement and the assets as well as liabilities of the proprietorship concern were based on such valuation report and the acquisition was done at a value which was in consonance with the valuation report. Further, the consideration for the acquisition of the business of the proprietorship concern was the issuance of 4,028,152 Equity Shares of the Company, aggregating to Rs. 7,107,14,752, which was determined on the basis of the valuation report.

Query 2: Unexplained Financial Hyper-Growth - Clarify whether this exponential growth is organically derived from physical showroom expansion or if it includes revenue from inter-se related-party transactions, circular trading, or accommodation entries. We request the Statutory Auditors (M/s Paresh Rakesh & Associates LLP) to explicitly confirm the physical inventory stock-verification logs that match this sudden revenue trajectory.

Response: We submit that the Revenue from Operations of the Company increased significantly from ₹249.12 million in Fiscal 2023 to ₹ 3512.80 million in Fiscal 2025 from the genuine operational activities of the Company and not due to any inter-se related-party transactions, circular trading or accommodation entries. Further, please note that the Statutory Auditor of the Company viz. M/s. Paresh Rakesh & Associates LLP, is a reputed audit firm. They are having peer review status and are qualified as peer review auditor by ICAI. They had completed the audit process of our Company in compliance with applicable ICAI guidelines.

We confirm that during the Fiscal 2023 to Fiscal 2025 period, the Company undertook a substantial expansion of its retail operations through the opening of additional showrooms. Consequently, Fiscal 2024 represented the first full financial year of operations across the expanded showroom network, resulting in a considerable increase in sales volumes and overall revenue generation as compared to Fiscal 2023. Further, the expansion of the Company's showroom network enhanced its market penetration, customer accessibility and brand visibility, thereby contributing to higher customer footfalls and improved sales performance. Please also note that the jewellery industry experienced favourable gold price trends during the aforementioned period, which positively impacted the value of sales and contributed to higher revenue from operations. Accordingly, the combined effect of expansion in retail operations, improved market presence and favourable pricing environment resulted in the significant increase in Revenue from Operations.

Query 3: Promoter Monetization vs. Growth Capital - Justify how a business structured as a sole proprietorship for years suddenly commands an exponential valuation multiple months after incorporating as a public company, and why this IPO should not be viewed primarily as an aggressive promoter exit liquidity event rather than a capital formation exercise for the Company's growth.

Response: We submit that Mr. Ramchand Murlidhar Raimalani (the Promoter and Selling Shareholder), has been in the business of jewellery since 1999 through his sole proprietorship concern, M/s M. K. Sons Jewellers. The Company, M. K. Sons Fine Jewels Limited, was incorporated in 2012 and commenced its own retail jewellery operations thereafter. The proprietorship concern of the Promoter was acquired by the Company pursuant to the Business Succession Agreement dated March 29, 2025.

Prior to March 29, 2025 also, the Paid-up Share Capital of the Company was Rs. 45 million consisting of 4,500,000 shares of Rs. 10 each, out of which Mr. Ramchand Murlidhar Raimalani (the Promoter and Selling Shareholder) was holding 4,180,000 shares of Rs. 10 each i.e around 93%. The Promoter is proposing to sell only 3,400,000 equity shares of Rs. 10 each via Offer for Sale. Accordingly, the above two are independently separate events. Further we submit that the total Offer comprises up to 17,000,000 Equity Shares, out of which the Fresh Issue comprises up to 13,600,000 Equity Shares constituting approximately 80% of the total Offer size, whereas the Offer for Sale comprises up to 3,400,000 Equity Shares constituting approximately 20% of the total Offer size. Such issue structure is permissible under SEBI ICDR Regulations. Accordingly, the Offer is predominantly a primary issuance of equity shares intended for raising capital for the Company and cannot be characterized as a promoter exit event. Further please note that post completion of the Public Issue also, Mr. Ramchand Murlidhar Raimalani will continue to hold around 67% and hence cannot be characterized as a promoter exit event as perceived or otherwise.

Query 4: Absence of Clear Title/Leases for Proposed Showrooms - Provide absolute clarification on whether the Company holds registered lease deeds, clear titles, municipal sanctions, and local regulatory clearances for these proposed sites as required under Schedule VI of the SEBI ICDR Regulations.

Response: We submit that the Company proposes expansion of an existing showroom situated at C. G. Road, Navrangpura, Ahmedabad and further proposes to set-up a new showroom in Maharashtra. The Company has currently identified the precise locations where the new showroom will be established and has taken the said premises on leasehold basis. The above disclosures have already been made under the chapter titled "Objects of the Offer – Details of the Objects of the Fresh Issue" on page 91 of the DRHP. The detailed methodology for computation of estimated costs has been disclosed under the chapter titled "Objects of the Offer – Methodology for computation" on page 92 of the DRHP. The disclosures made under the chapter titled "Objects of the Offer" are in compliance with the Schedule VI (9)(A) of the SEBI ICDR Regulations. The details of the leases are disclosed under the chapter titled "Our Business – Properties" on page 179 of the DRHP. Accordingly, the Company is in the lawful possession of the premises where the Net Proceeds are proposed to be deployed. As the business of the Company comprises retail showroom operations and does not involve any manufacturing activities and no plant & machinery are required to be installed, and hence no such pre operational approvals are required at this stage. The Company has obtained the relevant approvals for all the existing showroom and details of such approvals have been disclosed under the chapter titled "Government and Other Statutory Approvals" on page 326 of the DRHP. We submit that the Company will obtain the requisite approvals and licenses from the concerned Central/State authorities for making these premises operational before starting the actual operational activities, as and when it is due.

We trust the aforesaid fully clarifies the queries raised by you.

Thanking You,

Yours faithfully

For M. K. Sons Fine Jewels Limited

Name: Kush Raimalani
Designation: Director

On Tue, 9 Jun, 2026, 21:26 mf@fariaandco.com, <mf@fariaandco.com> wrote:

To,

Mr. Kush Raimalani, Director

M. K. Sons Fine Jewels Limited

Dear Sir,

We are in receipt of your email dated May 13, 2026, signed by your Director, Mr. Kush Raimalani, in response to our formal complaint dated May 12, 2026.

We note that your response consists of a blanket, categorical denial and relies on a generic assurance that SEBI and the Stock Exchanges "routinely scrutinize" these matters. Please note that a regulatory body's statutory duty to review a draft prospectus does not absolve the Issuer Company, its Directors, and its Book Running Lead Managers (BRLMs) of their primary, absolute, and independent statutory liability to ensure truthfulness, adequacy, and non-suppression of material facts under the **SEBI (ICDR) Regulations, 2018** and the **Companies Act, 2013**.

Since your response invites us to highlight specific matters requiring clarification, we reiterate that your blanket denial fails to address the following severe, quantifiable, and structural anomalies structurally detailed in our primary complaint:

1. Deficient Operating History & Structural Circumvention of Regulation 6(1)

Your response is completely silent on the core issue of **historical continuity**. The Company cannot deny the matter of record that the corporate entity acquired the promoter's sole proprietorship as recently as March 29, 2025, and converted into a public company only on January 30, 2026.

- **Our Specific Demand for Clarification:** Provide the independent, third-party valuation report executed under **Section 247 of the Companies Act, 2013** for this business succession. If no such independent valuation exists, clarify the mechanism used to value and transfer the goodwill, inventory, and liabilities to ensure public investors are not absorbing overvalued assets.

2. Unexplained Financial Hyper-Growth (14x Revenue Surge)

A revenue leap from **₹24.91 crore in FY23 to ₹351.28 crore in FY25** within a mature, capital-intensive sector like retail jewellery cannot be dismissed via a standard denial.

- **Our Specific Demand for Clarification:** Clarify whether this exponential growth is organically derived from physical showroom expansion or if it includes revenue from inter-se related-party transactions, circular trading, or accommodation entries. We request the Statutory Auditors (**M/s Paresh Rakesh & Associates LLP**) to explicitly confirm the physical inventory stock-verification logs that match this sudden revenue trajectory.

3. Promoter Monetization vs. Growth Capital (Asymmetric Valuation)

The DRHP states the promoter's weighted average acquisition cost is a nominal **₹18.31 per share**, while simultaneously proposing a massive Offer for Sale (OFS) of **3,400,000 equity shares**.

- **Our Specific Demand for Clarification:** Justify how a business structured as a sole proprietorship for years suddenly commands an exponential valuation multiple months after incorporating as a public company, and why this IPO should not be viewed primarily as an aggressive promoter exit liquidity event rather than a capital formation exercise for the Company's growth.

4. Absence of Clear Title/Leases for Proposed Showrooms

The DRHP lists the establishment of a new showroom in Maharashtra and expansion in Gujarat as primary objects of the issue, yet fails to provide granularity on the underlying real estate.

- **Our Specific Demand for Clarification:** Provide absolute clarification on whether the Company holds registered lease deeds, clear titles, municipal sanctions, and local regulatory clearances for these proposed sites as required under Schedule VI of the SEBI ICDR Regulations.

Conclusion & Notice of Ongoing Regulatory Tracking

Your assurance that necessary changes "if any" will be made in the Red Herring Prospectus (RHP) prior to the issue opening is noted. However, please be advised that any attempt to file the RHP with the current placeholders, unverified financial leaps, and opaque asset-transfer disclosures will be viewed as a deliberate and material misstatement under **Section 34 and 35 of the Companies Act, 2013**, attracting strict civil and criminal liabilities for the Company and its signing directors.

We have marked a copy of this rejoinder to the **Securities and Exchange Board of India (SEBI)** and the **Lead Manager (Aryaman Financial Services Limited)** to ensure that these specific points are explicitly incorporated into the regulatory query-letters and the formal observation tracklist.

We welcome your offer for specific explanations and expect a pointwise, data-backed clarification on the four items listed above within 7 days of this communication, failing which we shall pursue all available legal remedies under the SEBI Act, 1992, in the interest of public investor protection.

Yours Sincerely,

Mayur Faria

For Faria HUF

(Karta / Authorized Signatory) Office No. 514, 5th Floor, Vardhaman Chambers, Cawasjee [Patel Street, Fort, Mumbai – 400001](#)

CC:

1. **The Chairman / Executive Director**, SEBI Bhavan, BKC, Mumbai.
2. **Aryaman Financial Services Limited** (Lead Manager)
3. **M/s Paresh Rakesh & Associates LLP** (Statutory Auditors)

On 9 Jun 2026, at 11:12 AM, MK Jewels Compliance <compliance@mkjewels.in> wrote:

Dear Sir,

Re: **Response to your email dated May 13, 2026 in relation to the draft red herring prospectus dated May 11, 2026 of M. K. Sons Fine Jewels Limited**

We have perused your email dated May 13, 2026 inter-alia addressed to us and the concerns raised therein in relation to the draft red herring prospectus dated May 11, 2026 ("DRHP") filed by M. K. Sons Fine Jewels Limited ("**Company**") for the purpose of its proposed initial public offering of equity shares ("**Offer**") with the SEBI and the National Stock Exchange of India Limited and BSE Limited (collectively "**Stock Exchanges**").

At the outset, we would like to assure you that all the disclosures made in the DRHP are adequate fair and proper and in conformity with the requirements of the SEBI (ICDR) Regulations.

At the further outset, we categorically deny in entirety, the allegations, assertions, claims and statements made in the email and submit that the basis for such claims is unfounded. The IPO is being processed currently by SEBI and Stock Exchanges. We state that all of the topics which you feel need proper scrutiny are matters that SEBI and the Stock Exchanges routinely and closely scrutinize as part of their standard regulatory and supervisory functions and in the context of the DRHP also, such matters are being looked at closely by the SEBI and the Stock Exchanges. We assure you that the Company has conducted its activities in strict conformity to applicable legal requirements from time to time. We will ensure that all queries raised by SEBI and the Stock Exchanges and their observations shall be taken on record and necessary changes if any in the DRHP will be made thereafter to ensure fair and proper disclosure to investors while filing the RHP prior to opening the issue.

Notwithstanding the above, kindly note the interests of public investors and market integrity are adequately protected by the disclosures made in the DRHP, as required under SEBI ICDR Regulations, SEBI LODR Regulations and Companies Act, 2013 and other applicable laws.

If you have any specific matter which you are unable to understand or want a clarification on, you may contact us with specific details needed so that we can provide you a specific explanation thereon.

We trust the aforesaid clarifies the matter.

Thanking You,

Yours faithfully

For M. K. SONS FINE JEWELS LIMITED

Name: Kush Raimalani

Designation: Director

Phone: 9920077788